

## INDEMNITY AGREEMENT

**THIS AGREEMENT** of Indemnity entered into this \_\_\_ day of December, 2010 by and between the CITY OF JONESBORO, ARKANSAS, hereinafter referred to as "CITY OF JONESBORO" and HARROLD PERRIN, PHILLIP CREGO, BEN BARYLSKE, AND ANN WILLIAMS, hereinafter referred to as the "TRUSTEES".

### W I T N E S S E T H

**WHEREAS**, City of Jonesboro has established the Retirement Plan for Employees of City of Jonesboro, Arkansas (the "Plan") which Plan is designed to satisfy the requirements of Section 401(a) of the Internal Revenue Code; and

**WHEREAS**, the Trustees have agreed to accept the office of Trustee under a separate Trust established as a part of the Plan; and

**WHEREAS**, City of Jonesboro and the Trustees agree that the scope of liability regarding the establishment, administration and maintenance of the Plan is largely undefined and unclear; and

**WHEREAS**, neither the City of Jonesboro nor the Trustees are unable, at reasonable economic cost, to acquire satisfactory fiduciary insurance in order to indemnify the Trustees from liability arising from their responsibility and duties as Trustees under the Plan; and

**WHEREAS**, City of Jonesboro has agreed to indemnify the Trustees for any and all liability arising from their responsibilities and duties as Trustees of the Plan;

**NOW, THEREFORE**, in consideration of the Trustees' assumption of the office of the Trustee under the Plan, and in consideration of the covenants contained herein, and for other good and valuable consideration,

### IT IS HEREBY AGREED AS FOLLOWS:

1. Indemnification of Trustee. City of Jonesboro expressly agrees to indemnify the Trustees for any and all liability, loss and damage, including the reasonable cost of legal expenses incurred by the Trustees in defending themselves against suits by Plan Participants and/or their beneficiaries, or from any and all liability, loss or damage involving the Trustees arising from the establishment, maintenance and administration of the Plan and the Trust which is a part thereof, including, but not limited to, liability, loss or damage as a result of controversies with Federal or State agencies or instrumentalities, Plan Participants and/or their beneficiaries or any contracts or agreements executed in the name of the Trustees; unless it is conclusively determined by a Court of competent jurisdiction that the Trustees are guilty of fraud, gross negligence or willful misconduct with respect to their duties and responsibilities under the Plan.

2. Stipulation of Parties. City of Jonesboro and the Trustees agree and do hereby stipulate that this Agreement for Indemnification constitutes a material inducement to the Trustees to agree to serve as the Trustees under the Plan.

3. Construction of Indemnity Agreement. This Indemnity Agreement is to be construed to be a contract of private indemnification between City of Jonesboro, as an employer with employees covered by the Plan, and the Trustees of the Plan.

4. Duration. Indemnity under this Agreement shall commence on the date of the execution hereof, and shall continue in full force until the Trustees give City of Jonesboro a written release of liability.

IN WITNESS WHEREOF, this Indemnity Agreement is executed by the undersigned upon the day and year first above written.

**CITY OF JONESBORO, ARKANSAS**

**TRUSTEES:**

By: \_\_\_\_\_  
Harrold Perrin, Mayor

\_\_\_\_\_  
Harrold Perrin

\_\_\_\_\_  
Phillip Crego

\_\_\_\_\_  
Ben Barylske

\_\_\_\_\_  
Ann Williams